



The Gazette of Meghalaya

PUBLISHED BY AUTHORITY

No. 5

Shillong, Thursday, January 30, 2020

10th Magha, 1941 (S. E.)

Separate paging is given on this part in order that it may be filed as a separate compilation.

PART-IIA

GOVERNMENT OF MEGHALAYA

NOTIFICATIONS

The 17th January, 2020.

No.MFG.DLSTF/WBI/20732-753. - In partial modification to this Office Notification, dated 24th March, 2017 vide Memo No.MFG.G/SF/64/98/Pt.IV/18069-122, dated 25th March, 2017 the following changes are hereby made:-

"At para I and J (Sl. No. 2) the word Divisional Forest Officer (Territorial), West & South-West Garo Hills Division, Tura is substituted by Divisional Forest Officer (Social Forestry & Territorial) Division, South Garo Hills, Baghmara".

Y. S. SHULLAI,

Principal Chief Conservator of Forests & HoFF,
Meghalaya.

The 10th January, 2020

No.ERTS(SL)4/2018/90. - Whereas the Lotteries (Regulation) Act, 1998 (Central Act No. 17 of 1998) by section 11 empowers the Central Government to make rules and the Central Government has already made the Lotteries (Regulation) Rules, 2010 vide Ministry of Home Affairs, Government of India's G.S.R No. 278(E) dated New Delhi, the 1st April, 2010;

Whereas section 12(1) of the said Act of 1998 also empowers the State Government to make rules to carry out the provisions of the Act and Section 12(2) empowers the State Government, without prejudice to generality of power under Section 12(1), on specified matters also, namely, time to be fixed for claiming prize money under clause (f) of section 4 of the Act, period to be fixed for draws of all lotteries under clause (i) of section 4 and any other matter which is required to be, or may be, prescribed;

Whereas it is expedient in the interest of generation of revenue on behalf of the State Government for supporting social welfare and developmental activities by running and Regulating Lotteries, both online and paper in the State of Meghalaya and by and on behalf of State of Meghalaya in all other States of India;

Whereas the Central Rules of 2010 contain some important and relevant provisions, with reference to an "Organizing State", which also need to be adopted for proper implementation of the Act;

Now, therefore, the Governor of Meghalaya, in exercise of the powers conferred by sub-sections (1) and (2) of section 12 of The Lotteries (Regulation) Act, 1998 and in supersession of all earlier notifications in this regard is pleased to make the following rules, namely-

1. SHORT TITLE AND COMMENCEMENT.

- i) These rules may be called the Meghalaya Lotteries (Regulation) Rules, 2019.
- ii) They shall come into force on the date of their publication in the Official Gazette.

2. DEFINITIONS. In these Rules, unless the context otherwise requires,

- a) "Act" means the Lotteries (Regulation) Act, 1998 (Central Act No.17 of 1998);
- b) "Agreement" means an agreement in writing, signed by all the parties thereto, laying down the rights/obligations of each such party and such terms as agreed between the Government of Meghalaya and the Distributor(s), Selling Agent(s) or Printing Press or any such person or persons for selling, marketing or Printing of the Lottery tickets for Meghalaya State Lottery;
- c) "bumper draw of a lottery" means a special draw of lottery conducted on or during any festival or other special occasion wherein the prize money offered is greater than the prize money offered in the case of ordinary draw of lotteries;
- d) "Central Rules" means the Lotteries (Regulation) Rules, 2010 as notified by the Ministry of Home Affairs, Government of India, New Delhi under the GSR 278 (E) dated 1st April, 2010 and published in the Gazette of India, Extraordinary, Part II, Section 3 (i) dated 1st April, 2010;

- e) "Central Computer Server" means a single or group of computer systems at a central location under the direct control of the Organizing State that accepts, processes, stores and validates the lottery transactions or otherwise manages, monitors and controls the entire system of lottery and which shall also include ticket transactions, prize amount calculation, verification of prize amount and cancellation of tickets;
- f) "Director" means the Director of Meghalaya State Lottery, Government of Meghalaya, who shall be an officer, not less than the rank of Joint Secretary to the State Government, of the State Government of Meghalaya;
- g) "Distributor or Selling Agent" means an individual or a firm or a body corporate or other legal entity under law so appointed by the Organizing State through an agreement to market and/or sell lotteries on behalf of the Organizing State;
- h) "Draw" means a method by which the prize winning numbers are drawn for each lottery or lottery scheme by operating the draw machine or any other mechanical method based on random technology, which is also visibly transparent to the viewers;
- i) "Draw-Break" means the specified date and time at which the sale of lottery ticket for a particular draw shall be ceased to be sold prior to the draw for such scheme;
- j) "Government" means the Government of the State of Meghalaya;
- k) "Governor" means the Governor of the State of Meghalaya;
- l) "Lottery" means a scheme in whatever form and by whatever name called, for distribution of prize by lot or chance to those persons participating in the chances of a prize by purchasing tickets, which can be run either by the Organizing State or through Distributor(s) or Selling Agent(s), in the State of Meghalaya and any other State in India wherever the lotteries are permitted;
- m) "Judge" means such official appointed by the State Government to conduct lottery draws on a scheduled time;
- n) "Network" means a communication and data exchange system created by physically, or otherwise, connecting two or more computers with network interface, cards and cables and running on network operation software;
- o) "Online Lottery" means a system created to permit players to purchase lottery tickets generated by the computer or online machine at the lottery terminals where the information about the sale of a ticket and the player's choice of any particular number or in any form of combination, is simultaneously registered with the central computer server, which can be run either by the Organizing State or through Distributor(s) or Selling Agent(s), in the State of Meghalaya and any other State in India wherever the lotteries are permitted;

- p) "Organizing State" means the State of Meghalaya;
 - q) "Price" of a ticket means the maximum retail price fixed by the State Government for a lottery ticket;
 - r) "Prize" means the amount payable against a ticket bearing the winning number of any specified prize denomination, excluding any deductibles in accordance with direct and indirect taxation laws of the land;
 - s) "Retailer" means the person appointed by the State Government or the Distributor or Selling Agent for sale of paper and/or online lottery ticket and would mean and include the Retail Computer terminal being used by such person;
 - t) "Rules" means the Meghalaya Lotteries (Regulation) Rules, 2019;
 - u) "Sale Proceeds" mean the amount payable by the Distributor or Selling Agent to the Organizing State in respect of sale of lottery tickets as determined by the State Government from time to time.
 - v) "Scheme" means Meghalaya State Lottery Scheme (both paper and Online)
 - w) "Security Deposit" means a deposit or amount or bank guarantee paid to the Organizing State by the Distributor or Selling Agent in any form for due fulfillment of the Agreement, separate from any other payment required to be made by the Distributor or Selling Agent(s) under these Rules.
 - x) "Selling State" means any other states in India wherever the sale of lotteries is permissible, whether they are organizing lotteries or not.
 - y) "Tickets" means Meghalaya State Lottery Ticket (both paper and On line) bearing the imprint and logo of the State of Meghalaya having facsimile signature of the Director on it and is released for sale in receipt of any particulars.
 - z) "Working Day" means any day which is not a national holiday or a public holiday declared by the State Government.
- aa) Words and expressions used but not defined herein but defined in the Act shall have the meanings respectively assigned to them in the Act.

3. PROVISIONS OF THE CENTRAL RULES TO APPLY: -

All the provisions of the Central Rules shall apply subject to the following changes-

1. The expression "Organizing State" in the Central Rules shall be construed as the "State of Meghalaya" under these Rules.
2. The expression "Official Gazette" relating to the Organizing State in the Central Rule shall be construed as the "Meghalaya Gazette" under these Rules.

3. The expression "Consolidated Fund of the Organizing State" shall be construed as the "Consolidated Fund of the State of Meghalaya" under these Rules.

4. ORGANISATION OF LOTTERY.

- (i) No Lottery in any form shall be organized by any person/authority in the State of Meghalaya and/or on behalf of the Government of Meghalaya, except by the State Government of Meghalaya under the provisions of the Act, Central Rules and these Rules.
- (ii) The scope and purpose of these Rules is to generate revenue on behalf of the State Government for supporting social welfare and developmental activities by running and Regulating Lotteries, both online and offline/paper in the State of Meghalaya and by and on behalf of State of Meghalaya in all other States of the country.
- (iii) The Organization of Lottery under the Act, Central Rules and these Rules in the State of Meghalaya and for and on behalf of the State of Meghalaya in other States of the Country shall be exclusively done by the State Government of Meghalaya.
- (iv) The State Government of Meghalaya may organize paper lottery or online lottery or both subject to the conditions specified in the Act, in the Central Rules, these rules and any other orders/notifications related to lottery, issued by the Government of India or the State Government, from time to time.
- (v) The State Government of Meghalaya may organize a lottery or lotteries, if it so decides, by issuing a notification in Meghalaya Gazette, outlining the purpose, scope, limitation and methods thereof in accordance with these Rules.
- (vi) The State of Meghalaya can conduct Lotteries by itself or through one or more Distributor(s) or Agent(s) appointed under these Rules.
- (vii) The State Government of Meghalaya shall sell lottery tickets meant for a particular State to a distributor located and registered in that State only.
- (viii) A distributor located and registered in State selling tickets of another organizing State shall buy such tickets directly from the organizing State Government.
- (ix) It shall be compulsory for the State Government of Meghalaya to print "FOR SALE IN <name of State> ONLY" on each paper lottery ticket.

5. DISTRIBUTORS/SELLING AGENTS.

- i) The State Government may appoint Distributor(s)/ Selling Agents usually by way of inviting Expression of Interest and/or through tender and competitive bidding process. However, the State Government may, if it may deem fit and proper, adopt any other method for appointment of Distributor(s)/Selling Agent(s) which is fair, transparent and objective and in furtherance of the objects of these Rules.

- ii) The mode and manner of tender process or any other such method adopted by the State Government for appointment of Distributor(s)/ Selling Agents shall be decided and duly published by the State Government from time to time.
- iii) Selected Bidder is then required to enter into Agreement with the State Government before conducting lottery business on behalf of the State Government under these Rules, for a period as may be prescribed by the State Government.

6. ELIGIBILITY FOR APPOINTMENT OF DISTRIBUTOR OR SELLING AGENT:

The following terms and conditions shall be fulfilled by the Applicant/Participating Entity namely: -

- (i) The tender form/ documents shall be issued only to Partnership Firms/Proprietorship concerns/ Limited Liability Partnerships/Companies registered under the Companies Act, 1956 or other legal entity;
- (ii) Neither the bidder nor any of its Proprietor/Partner/Director/Member should have been declared insolvent in the last five years from the date of application;
- (iii) The Participating Entity shall have sound financial standing, satisfying the criteria, as laid down in the tender document.
- (iv) Those Participating Entities, or any member thereof, against whom any action has been taken for violation of any of the provisions of The Lotteries Regulation Act, 1998 and/or the Central Rules framed there under or any of the State Rules made under Section 12 of the Act, while serving as a distributor or marketing/selling agent of any organizing state, shall not be eligible for appointment as Distributor(s)/Selling Agent(s) under these Rules, till the currency of punishment and/or payment of fine imposed, if any.
- (v) Any other terms and conditions as the State Government may deem fit and proper to specify.

7. METHODS AND LIMITATIONS.

No Lottery in any form shall be organized by any person/authority in the State of Meghalaya and/or on behalf of the Government of Meghalaya, except by the State Government of Meghalaya under the provisions of the Act, Central Rules, these Rules and subsequent amendments thereof, if any. The methods and limitations for conduct of Meghalaya State Lotteries, On-line and paper shall be as follows:

A. Nomenclature and Form of Lottery:

- (i) The State Lottery shall be named as the "Meghalaya State Lotteries" with such other sub-names as may be decided by the Government/Director from time to time.

- (ii) The State Government of Meghalaya shall designate an officer, not below the rank of a Secretary to the State Government, who shall be responsible for organizing lottery under these Rules.
- (iii) The State Government of Meghalaya shall announce in advance, by way of a notification in the Meghalaya Gazette, the following information about every lottery, namely: -
- a. The name of the lottery or lottery scheme;
 - b. Face value of the lottery ticket;
 - c. Total number of tickets printed in case of paper lottery;
 - d. Gross value of the tickets printed;
 - e. Name or names of the distributors or selling agents with their addresses and contact information;
 - f. Prize structure;
 - g. The amount offered as prize money;
 - h. Periodicity of the draw;
 - i. The place where the draw shall be conducted; and,
 - j. The procedure for drawing the prize winning tickets or prize-winners.
- (iv) In case the State Government of Meghalaya decides to organize more than one lottery, the procedure as provided in sub-rule (iii) shall be followed for each lottery.

B. Printing of Tickets:

- (i) The form, size and design of ticket shall be decided by the Director on behalf of the State Government.
- (ii) The paper lottery tickets and the stationery on which the online lottery tickets are issued shall be printed by the State Government at a Government Press or any other high security press included in the panel of the Reserve Bank of India or the Indian Banks' Association, Mumbai.
- (iii) The printed tickets for a particular draw shall bear the imprint and logo of the State Government, distinctive number, the date/ time of draw and the sale price of the ticket and facsimile signature of Director, Meghalaya State Lotteries. On the reversed side of the tickets, there shall be printed information in English/ Hindi or any Regional language showing prize structure and such other essential details and conditions as the State Government may consider necessary for the purchasers. Such terms and conditions which appear on the Lottery tickets shall be determined by the State Government through the Director.
- (iv) The printing of online lottery tickets, as per the approved schemes, shall be done by the Terminal(s)/ Retailers and shall have the imprint logo and facsimile signature of the Director.

Such tickets shall be sold only after updating the central server with the buyer's selected numbers and other relevant data.

C. Collection and Delivery of Printed tickets:

- (i) The Director shall arrange to deliver the tickets on behalf of the State Government to the Distributor as the case may be at the place mutually agreed upon.
- (ii) The Distributor shall lift the lottery tickets within such reasonable period so as to ensure the conduct of first draw within a period of thirty days from the date of execution of agreement or any other date fixed by the State Government in public interest.
- (iii) The Distributor shall receive the printed lottery tickets along with its delivery challan from the Director. The Distributor shall purchase the lottery tickets from the Government on actual sold basis, and payment will be made by the Distributor for such tickets actually sold by the Distributor. Unsold tickets, if any, shall be intimated to the Government before the Draw. Those unsold tickets as intimated before the draw shall be submitted physically to the Government periodically, as decided by the Director.
- (iv) Any defect or deficiency noticed in the printed tickets should be immediately brought to the notice of the Director / any other authorized officer of State Government of Meghalaya. Under no circumstances such defective ticket should be sold. The purchaser(s) or Distributor, as the case may be, may get rectified tickets in exchange for the defective tickets without extra payment. The exchange will be done by the Government/Director on production of the defective/mutilated tickets by the Distributor/purchaser, as the case may be.
- (v) In case of loss of tickets in transit, the same shall immediately be brought to the notice of the Director for publication in the newspapers.
- (vi) The invoice shall be raised on the Distributor for the actual lottery tickets sold and the amount raised there under for Sales Proceeds (Draw Charges/Printing Charges/ Taxable Prize Money) to the Government.
- (vii) The Director shall keep records of the tickets printed, tickets issued for sale, tickets sold, tickets which remain unsold at the time of the draw, and after the draw, the prize winning tickets along with the amount of prize or prizes in respect of each draw, in the manner prescribed by the State Government.

D. Sale of Lottery Tickets:

- (i) The State Government or the Distributor or Selling Agent, as the case may be, may appoint retailers for sale of lottery tickets.
- (ii) Denomination of Tickets for the paper and online lottery shall be issued as specified by the State Government through an order in respect of a draw or group of draws, however, the minimum sale price of a ticket shall not be less than two rupees.

- (iii) The ticket shall be sold to the player on demand.
- (iv) The tickets shall be serially numbered.
- (v) The ticket shall bear the signature in facsimile of the Director, Government of Meghalaya.
- (vi) Each ticket shall be assigned a secret mark or code. Such mark or code may be changed from ticket to ticket and series to series in any draw.
- (vii) In On-line Lottery, a player shall choose his number as per the scheme.
- (viii) The sale of lottery ticket shall cease at the prescribed draw-break.
- (ix) The Online Lotteries shall be sold through various retailers/terminals connected with the Central Server, only after entering into written agreement with the Distributor.
- (x) A Central/Mirror Server shall be monitored in the Directorate of Meghalaya State Lotteries by the Director or under the surveillance of the State IT Department or through their authorized officer.
- (xi) The State Government under whose jurisdiction the Meghalaya State lottery tickets are being sold shall attract GST at the rates and in the manner as prescribed under GST Act and Rules as applicable, including any amendments made from time to time.
- (xii) The Player should ensure himself the correctness and genuineness of the paper/online Lottery ticket, as the case may be, issued by the authorized retailer. Unless the constituent player brings to the notice of the salesperson or retailer at the retail counter any discrepancy, errors or omissions etc. immediately before leaving the retail terminals the matter and numbers printed on the tickets, it shall be deemed to have been accepted by the player as correct and shall bind the constituent player for all purposes and intents.

E. Draw and Publication of Result:

- (i) The State Government shall conduct the draws through mechanical draw machines or any other mechanical draw method based on random technology which is transparent to the viewers of it under the direct control of State Government.
- (ii) There shall be minimum 2 (two) judges, appointed by the State Government, for conduct of Meghalaya State Lotteries with a time table shift-wise in the day to day operation of the lottery draws. He/she should be at least Class-II Gazetted officer of State Government or a member from the executive body of any Government registered NGO. The panel of judges so appointed shall be paid lump sum remuneration as may be decided by the State Government from time to time.
- (iii) The number of lottery draws, except bumper draw, by the State of Meghalaya from all the lottery schemes put together, shall not be more than twenty-four per day.

- (iv) No draws of lottery shall be conducted on any National Holiday, i.e. 26th of January, 15th of August and 2nd of October and on any other day which the State Government may, by publication in at least 30 days in advance of such date, so decide.
- (v) Draw to be held on specific date and time with all necessary information for the convenience of the subscribers intending to enter in the draw for winning prize money of a particular draw on purchasing its tickets.
- (vi) No draw shall usually be conducted after 10.00 p.m., unless permission is issued for the same by the Director.
- (vii) The place of draw shall be located at Shillong or at any other place within the State of Meghalaya as decided by the State Government.
- (viii) No extension of time for draw of the result shall be granted after marketing the tickets.
- (ix) Draw of results shall be held and conducted by the Director in transparent, free and fair manner.
- (x) No instrument of any kind used in transmission of alpha-numeric message or any instrument of audio visual display/recording shall be allowed at the draw place except equipment relating to the live telecast, with prior permission from the State Government.
- (xi) The record relating to draws, shall be kept in the custody of the Director for a maximum period of three years from the date of publication of the result, after which it shall be destroyed with the approval of the State Government and the decision in this regard will be communicated to the Accountant General, Meghalaya and the Director, Treasuries & Accounts, Meghalaya as well as to the Administrative Department one month before the date of such destruction.
- (xii) The State Government of Meghalaya/Director shall publish the result of the draws in at least one national and two state level newspapers out of which one shall be in English as well as in its Official Gazette. In addition to the newspaper publications the results may be published in other media for the benefit of the buyers.
- (xiii) A certified copy of the results shall be supplied to the representative of the Distributor by the authorized officer(s) of the Government/Director after the draw is conducted.
- (xiv) The Director shall ensure publication of results of lottery draws in the prescribed newspapers on daily basis.
- (xv) The cost of publication of Result shall be borne by the respective Distributor(s) or Selling Agent(s).
- (xvi) The State Government of Meghalaya shall charge a minimum amount of ₹ 5 lakhs (Rupees Five Lakhs) only per draw for bumper draw of lottery and minimum amount of ₹ 10,000/- (Rupees Ten Thousand) only per draw for all other forms of lottery.

F. Prize, Claim and Disbursal of Claims:

- (i) The first prize in any lottery scheme shall not be less than ten thousand rupees.
- (ii) Claim period of prizes shall be 60 days from the date of draw of results.
- (iii) No forged, torn, mutilated or tampered ticket shall be entertained for prize claim payment. However, a partially mutilated ticket with the series and ticket number remaining intact may be accepted after careful examination of its genuineness.
- (iv) Subject to the provisions of these Rules, all claims of taxable prizes shall be submitted to the Director or any other officers/authorized by the State Government.
- (v) The prize claims on taxable amount shall be paid after due verification of prize winning ticket (PWT) from the concerned Security printing press or central server/ mirror server.
- (vi) Claim-form as may be specified by the Department/Director from time to time, duly filled, along with original prize winning ticket with one photocopy of the same, copy of PAN Card issued by the Department of Income Tax or a declaration in the specified Form-16, three copies of passport size photographs of the holder of the prize winning ticket and an affidavit of ownership of the prize winning ticket from any Magistrate/Notary/Gazette Officer shall be submitted to the Director for payment. In absence of the PAN Card or declaration, additional amount will be deducted as prescribed by the Income Tax Department from time to time.
- (vii) The prize winner for amount above ₹ 10,000/- shall be required to submit, in addition to documents prescribed in sub-Rule F.(vi), Bank Account details and an Affidavit duly attested and signed by the 1st Class Magistrate/Notary public/Oath Commissioner addressed to the Director, Meghalaya State Lotteries, Shillong for payment.
- (viii) The prize winning tickets up to ₹ 10,000/- received by the authorized person as appointed by the distributor or Selling agent, or that of more than ₹ 10,000/- directly from the prize winner, will be examined carefully and if it is *prima-facie* found not genuine may be sent to the printer of the ticket for verification of its genuineness and a report to be called for, in such a case, disbursal of prize money shall be made only after verification of authenticity of the prize winning ticket.
- (ix) The entire prize money shall be paid only in Indian currency.
- (x) No prize shall be offered on a lottery ticket or in an online lottery on the basis of single, double or triple digit in any form or combination.
- (xi) It shall be the responsibility of the State Government of Meghalaya, to ensure that income tax on prizes, wherever applicable, is deducted at source and that, the prize money after deduction is credited to the bank account(s) of the prize winner(s).
- (xii) One ticket will enable the holder thereof to claim one prize only.

- (xiii) The State Government may authorize the Distributor to make the payment of prizes on its behalf, up to the value of ₹ 10,000- (Rupees Ten thousand) only to the prize winners, within a period of 60 (sixty) days from the date of announcement of the result. The prize money disbursed by the Distributor on account of payment of such prizes shall be adjusted/set-off against the disbursable Prize Money. Payment of prizes which is not covered under this provision will be made by the Director after deduction of Tax Deducted at Source (TDS).
- (xiv) Payment of prizes should be completed within 60 days from the sale of draw failing which Government reserves the right to make payment of prizes from the security deposit.
- (xv) Prizes that are not claimed by the Prize winners within a period of 60 (sixty) days from the date of publication of result shall not be disbursed and shall stand forfeited to the State Government as unclaimed prize money. Provided that the Director may, in exceptional circumstances, disburse the prize amount to the prize winners on his/ her application even after the expiry of the said period of 60 (sixty) days but not exceeding 90 (ninety) days if he is satisfied that the reasons for not claiming the prize amount within the said period of 60 (sixty) days are cogent and genuine.
- (xvi) In order to determine the unclaimed or undisbursed prize money, the Distributor shall, within a period of one month from the expiry of the period of 60 (sixty) days referred to above, submit the account thereof periodically to the Director, Meghalaya State Lotteries, as prescribed by the Director or by the Agreement.

G. Deposit of Sale Proceeds:

The State Government of Meghalaya shall ensure that sale proceeds, as received from the distributors or selling agents, are deposited in the Consolidated Fund of Meghalaya State/Public Ledger Account.

H. Schemes and Change in Schemes:

The State Government may release such number of Schemes and draws in conformity with the Act. All such schemes are liable to be changed or modified by the State Government keeping in view/ according to market conditions.

8. DISPOSAL OF UNSOLD LOTTERY-TICKETS.

- (i) The distributors or selling agents shall maintain a record of the tickets obtained from the State Government of Meghalaya, tickets sold and those which remain unsold along with other details for a period of 3 (three) years, or as may be specified by the State Government of Meghalaya.
- (ii) The distributors or selling agents shall periodically return the unsold tickets to the State Government of Meghalaya after each draw.

- (iii) After due verification by the officials of the Government of Meghalaya, the unsold tickets shall be periodically disposed by the Government.

9. INDEMNITY CLAUSE.

In any event of any loss or damage caused to any person in course of the Lottery Business being conducted under these Rules, the Distributor(s) or Selling Agent(s) concerned shall indemnify the State Government for any claim, monetary or otherwise, arising out of any such event.

10. PROHIBITION OF SALE OF TICKET IN A STATE: -

The Organizing State may, within the State, prohibit the sale of tickets of a lottery organized, conducted or promoted by every other State.

11. APPOINTMENT OF AUDITORS/TECHNICAL EXPERTS: -

- (i) The State Government of Meghalaya shall conduct an annual financial and systems audit of the various lottery schemes organized by it, including the online lottery.
- (ii) The State Government may appoint any Chartered Accountant or any other persons having requisite qualifications to conduct an independent audit of all accounts pertaining to the conduct of State Lottery.
- (iii) The State Government may also appoint computer Engineers or experts to conduct audit and inspection of the computer system network installed by the retailer. Such person will also be responsible for checking and continuing of tickets being sold, to detect any computer related errors, mistakes, frauds, misuse of the system, to prevent data manipulation and such other work assigned to him by the Director.
- (iv) The Central Government may also conduct a special audit of any lottery or lottery scheme organized by State Government of Meghalaya through the Comptroller and Auditor General of India or any other agency appointed by the Central Government for the purpose and take suitable action thereon.

12. MODE OF PAYMENT TO AND BY THE STATE OF MEGHALAYA: -

- (i) All payments due from a distributor or a selling agent to the Government shall be made by that distributor or Selling Agent by Demand Draft/RTGS only drawn in favour of the Director, State Lotteries, Meghalaya on any Nationalized Public Sector/Scheduled Bank located at Meghalaya.
- (ii) The Department shall credit all the amounts so received in the Consolidated Fund of the State/Public Ledger Account.
- (iii) The transactions relating to the payment of Prize money and other miscellaneous expenses shall be done through Public Ledger Account jointly operated by the Director and Finance & Account Officer, State Lottery, Government of Meghalaya.

- (iv) The Director shall submit weekly returns of all the transactions relating to the draw of lotteries of the Government of Meghalaya to the Designated Authority.

13. LOTTERY OTHER THAN THE MEGHALAYA LOTTERIES: -

- (i) Save as provided in these rules, all lotteries conducted by private parties, associations, firms or other persons without prior permission of the Government or any Officers authorized in this behalf are illegal and liable to punishment.
- (ii) Any private parties, associations, firms or other persons who are found to have conducted such types of trade as lottery without obtaining prior permission from the Government or any Officers authorized in this behalf shall be liable to punishment as provided under Section 294A of the Indian Penal Code, 1860 (Central Act 45 of 1860).

14. EXPENSES: -

The expenses, if any, incurred by the Government for realization of payment of Sale Proceeds shall be fully borne by the Distributor/Selling Agent.

15. SUBMISSION OF ACCOUNTS AND PERIODIC INSPECTION: -

The Distributor or Selling Agent shall submit the audited statement of accounts/records, in the format and time frame as prescribed by the State Government/Director. The Director shall verify such accounts/records and also carry out periodical inspection of accounts of the Distributor or Selling Agent.

16. PROCEDURE TO PROHIBIT THE SALE OF LOTTERY TICKETS BY THE CENTRAL GOVERNMENT: -

- i) If a State Government where the lottery tickets of State Government of Meghalaya or through its Distributor or Selling Agent are being sold is of the opinion that the Government of Meghalaya or their Distributors or Selling Agents are organizing lotteries in violation of the provisions of the Act and these rules, it shall immediately bring the violations to the notice of the Government of Meghalaya concerned along with the details of such violations or irregularities noticed and the Central Government shall also be apprised of such violations or irregularities simultaneously.
- ii) The State Government of Meghalaya shall send a suitable response on the issues raised by the Selling State Government under sub-rule (1), within a period of thirty days of the receipt of such communication.
- iii) In case where the State Government concerned is not satisfied with the response sent by the State Government of Meghalaya under sub-rule (2) or the State Government of Meghalaya, does not respond or does not take action to discontinue the organizing of the said lottery scheme, the State Government concerned, under whose jurisdiction, the lottery tickets, are being sold, may bring to the notice of the Central Government with all relevant details of violations or irregularities and the communications made with the State of Meghalaya, along

with its recommendations on the action to be taken including banning of such lottery scheme of the State Government of Meghalaya in the geographical limits of its State.

- iv) The Central Government shall, after giving reasonable opportunity to the State Government of Meghalaya of being heard either, in writing or in person, take the final decision whether action is required to be taken against the lottery scheme of the State Government of Meghalaya under section 6 of the Act.
- v) In case the Central Government decides to prohibit any such lottery scheme, it shall issue an order under section 6 of the Act prohibiting such lottery and direct the State Government concerned to give wide publicity through daily newspapers or electronic media or both about the decision of the Central Government.

17. INTERPRETATION CLAUSE: -

If any question arises as to the interpretation of these rules or in regard to any matter not expressly provided for in these rules, the matter shall be referred to the Chief Secretary to the Government of Meghalaya and the interpretation made thereon shall be final and binding on all the parties.

18. RESIDUARY POWERS: -

The Government reserves the right to alter/modify and relax these rules in case of rule being unworkable or causing difficulty in implementation of these Rules.

19. REPEAL AND SAVINGS: -

On and from the commencement of these rules, all the earlier Rules made by the State Government of Meghalaya including Notification No.ERTS (SL)6/2017/71-75 dated 29.11.17 issued in pursuance of sub-rule (2) of Rule 3 of the Lotteries (Regulation) Rules, 2010 shall stand repealed.

Notwithstanding such repeal anything done or any action taken under the Rules so repealed shall be deemed to have been done or taken under the provision of Lotteries (Regulation) Rules, 2010.

S. A. SYNREM,
Commissioner & Secretary to the Govt. of Meghalaya,
Excise, Registration, Taxation & Stamps Department.